

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

August 27, 1946

Mr. Glenn Staley
Proration Office
Hobbs, New Mexico

Dear Mr. Staley:

Reference is made to Case No. 71, Oil Conservation Commission, heard December 8, 1945.

You will recall that in this case, which was presented by the Gulf Oil Corporation, a gas-oil ratio of 5000 cubic feet per barrel was asked to be applied to the Drinkard Pool of Lea County, New Mexico. Stanolind Oil and Gas Company, represented by J. O. Seth, took exception to Gulf's request for the reason that there was insufficient number of wells with which to determine a proper gas-oil ratio. It has lately been reported to me that Stanolind now considers the number of wells in the Drinkard Field, some 15 or 16, a sufficient number.

Therefore, the Commission requests that you conduct an official gas-oil ratio survey of all the producing wells in the Drinkard Field. When the test is completed, if you will forward the official figures to this office, the Commission will have the basis for promulgating a suitable order in this case.

Very truly yours,

RRS:MSH
cc Lloyd Gray
Gulf Oil Corp.
Tulsa, Okla.

C
O
P
Y

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

September 10, 1946

AIRMAIL

Mr. Glenn Staley
Proration Office
Hobbs, New Mexico

Dear Glenn:

Supplementing my letter of August 27, regarding Case 71, in which application was made for a limiting gas-oil ratio for the Drinkard Pool, Lea County, New Mexico, it is hereby requested that the gas-oil ratio survey for the above area cover all wells within the pool and that the survey be taken between the dates September 15, 1946, and November 1, 1946. The survey to be made under the procedure prescribed by the Commission under Order No. 545.

Very truly yours,

RRS:MSH

C
O
P
Y



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. BOX 661 · TULSA 2, OKLAHOMA

GYPSY
DIVISION
RUSH GREENSLADE
VICE PRESIDENT

November 29, 1945

Case 71 - Drinkard-Yeso Pool

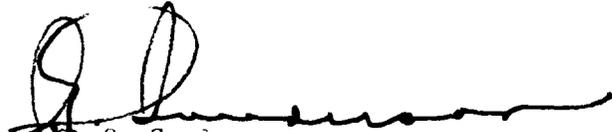
Mr. Carl B. Livingston
Chief Clerk & Legal Adviser
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Livingston:

Thank you for your letter of November 21, informing me that the application of Gulf Oil Corporation for an order fixing proper gas-oil ratio in the Drinkard-Yeso area will be heard December 8 at 10 A.M.

We shall have a representative or representatives present to present evidence in support of the application.

Yours very truly,



S. G. Sanderson

GS-

U. S. CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

November 21, 1945

Mr. S. G. Sanderson
Gulf Oil Corporation
Box 661
Tulsa 2, Oklahoma

Re: Case 71 - Drinkard-Yeso Pool and extensions
thereof -- fixing proper gas-oil ratio.

Dear Mr. Sanderson:

The Commission has set the above captioned case,
with others, to be heard December 8 at 10 A.M., at
Santa Fe.

Please indicate that you have received this notice.

Kindest personal regards.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MS
cc A. M. Bell, Jr.
General Supt.
Box 661
Tulsa 2, Okla.

C
O
P
Y



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. BOX 661 · TULSA 2, OKLAHOMA

GYPSY
DIVISION

September 4, 1945

Oil Conservation Commission
Santa Fe, New Mexico

Subject: Fixing Limiting Gas-Oil Ratio,
Drinkard-Yeso Pool and Exten-
sions Thereof — *Amended Petition*

Gentlemen:

Reference is made to Mr. Livingston's letter dated September 1, and to Gulf's application for the fixing of limiting gas-oil ratio in Section 1-T22S-R37E, Sections 19-, 30-, 31- and 32-T22S-R38E and Section 6-T23S-R38E.

I believe it would be well to limit the application to the Drinkard-Yeso Pool only and rather than designate definite sections, to limit the application to the Drinkard-Yeso Pool and any extensions thereof. For this reason I am attaching three copies of an amended application and request that our previous application be cancelled.

I shall be glad if an early hearing date can be set for this matter.

Yours very truly,

A. M. Bell, Jr.
General Superintendent

LLG:MDW

Encls

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

NL-Night Letter
LC-Deferred Cable
NLT-Cable Night Letter
Ship Radiogram

A. N. WILLIAMS
PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

VA219 19 1 EXTRA=WUX GO TULSA OKLA 3 200⁷ DEC 3⁷ PM 1:32

CARE OIL CONSERVATION COMMISSION SF=

RECEIVED YOUR NOTICE OF HEARING REGARDING CASE 71 WE WILL HAVE REPRESENTATIVE PRESENT AT 10 AM DEC 8=

GULF OIL CORPN BY A M BELL JR=

ILLEGIBLE

.71 10 AM 8

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

C
O
P
Y

September 1, 1945

AIRMAIL
SPECIAL DELIVERY

Mr. A. M. Bell, Jr.
General Superintendent
Gulf Oil Corporation
P. O. Box 661
Tulsa 2, Oklahoma

Re: Gulf - raising limiting gas-oil ratio for Drinkard-Yeso
Field and extensions thereof.

Dear Mr. Bell:

Please refer to the writer's letter of August 7 which was in reply to your letter of July 31 pertaining to your petition for hearing regarding raising of the gas-oil ratio in part of the Drinkard-Yeso Field and some surrounding area.

In the writer's letter of July 23 to your Mr. S. G. Sanderson it was pointed out that your petition proposed raising gas-oil ratio for a portion of the Paddock and a portion of the Drinkard-Yeso and certain territory outside of any defined field; that it would not be practicable to raise the gas-oil ratio for a portion of a field and not the other portion. In your letter of July 31 you advised that you would not object to eliminating from your petition the Paddock in that the gas-oil ratio was not critical and to limit your petition to the Drinkard-Yeso and any extension to that pool. In the writer's letter of August 7, it was indicated that if you so desire you may amend your petition to include the Drinkard-Yeso Field and any extension thereof. The amended petition has not been received unless it is your desire to treat your letter of July 31 as an amendment to such petition.

It is advisable to have your petition to present to the Commission when it next sets a date for a hearing upon such petitions that are ready for hearing. There are a number of matters that doubtless will be heard by the Commission before long, but only one petition has been filed in

JIL CONSERVATION COMMISSIO
SANTA FE, NEW MEXICO

A. M. Bell

-2-

9-1-45

its final form, unless yours is now to be treated in its final form.

It is noted in your letter of July 31 that it is your desire to avoid the necessity of having repeated hearings to take care of gas-oil ratio matters of deep pools. It was the writer's thought in his letter of August 7 that if you or some of your representatives should come to Santa Fe in the near future some of the procedural phases to attain that objective could be discussed and clarified.

I went into some of these matters with Mr. Glenn Staley as Chairman of the Engineers' Committee of Lea County Operators, when he was here recently, with the thought that possibly Lea County Operators or some other representative body of the oil industry might wish to sponsor a petition regarding the change or the raising of gas-oil ratios generally for all deep fields, pointing out that it was legally possible for an order upon hearing based on proper petition to be promulgated of a flexible nature, as for instance the operators of some particular deep pool desiring a raise of gas-oil ratio could present to the Commission, sitting in its executive capacity, a request for raise supported by proper showings. In other words, the deep field gas-oil ratio matters, under proper order pursuant to hearing, could be handled somewhat in the same manner as bonus allowables are handled under the bonus allowable order and as transfer of allowables, because of high gas-oil ratios, are handled under the transfer of allowables order. Both of these orders are flexible and matters to which they pertain are disposed of as a matter of administration without having to hold a formal advertised hearing every time a matter comes up.

The foregoing is simply a suggestion but if you wish to go ahead with your petition confined to the Drinkard-Yeso Field and extension thereof, please so advise.

Very truly yours,

Chief Clerk & Legal Adviser

CBL:MS
cc Glenn Staley

C
O
P
Y

JIL CONSERVATION COMMISSIC
SANTA FE, NEW MEXICO

August 7, 1945

Mr. A. M. Bell, Jr.
General Superintendent
Gulf Oil Corporation
P. O. Box 661
Tulsa 2, Oklahoma

Re: Gulf - raising limiting gas-oil ratio for
Drinkard-Yeso Field and extensions thereof.

Dear Mr. Bell:

Reference is made to your letter of July 31 with regard to raising gas-oil ratio for the Drinkard-Yeso Field and extensions thereof. If you desire you may amend your petition to include that field or pool and extensions thereof; however, the question of raising the gas-oil ratio limitations for deep fields appeals to me as a matter now of general interest and undoubtedly is a question that will come up repeatedly as facts may seem to warrant for the various deep pools now discovered and that are to be discovered.

I wish it were practicable to discuss some phases of this matter with you and if you contemplate coming to New Mexico in the near future I do wish you could come by way of Santa Fe in order that some of these matters can be gone into with the view of some feasible solution to be presented to the Commission when the hearing is called. An order with considerable flexibility, I believe, would be worthy of serious thought.

I discussed this matter with Mr. Staley when he was in Santa Fe Sunday evening. My thought was that Mr. Staley, as chairman of the engineering committee of Lea County Operators might wish to consider the presenting to his engineering committee the question for study, report and recommendation as to some feasible, practicable and flexible manner of handling the raising of gas-oil ratio limitations for deep pools.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MS
cc Glenn Staley

C
O
P
Y



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. BOX 661 · TULSA 2, OKLAHOMA

GYPSY
DIVISION

July 31, 1945

Carl B. Livingston
Chief Clerk & Legal Advisor
Oil Conservation Commission
Santa Fe, New Mexico

Dear Sir:

Reference is made to your letter to Mr. Sanderson dated July 23, regarding Gulf's application for a hearing to raise the limiting gas-oil ratio in the Drinkard area of Lea County. Since the gas-oil ratio situation in the Paddock Pool is not critical we would not object to eliminating that area from the application and limiting it to the Drinkard-Yeso and any extensions to that pool. As you know, production is now being obtained in Sections 29-, 31-, 32-22S-38E and in Section 6-23S-38E which was not included in the original boundaries of the Drinkard-Yeso Pool. It was intended, when we requested a sufficient additional surrounding area to provide for subsequent development, that it would take care of such extensions. What we wish to avoid is the necessity of having repeated hearings to take care of out-post wells which may ultimately be brought into the pool.

Yours very truly,

A. M. Bell, Jr.
General Superintendent

LLG:MDW

JIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

July 23, 1945

Mr. S. G. Sanderson
Gulf Oil Corporation
P. O. Box 661
Tulsa 2, Oklahoma

Re: Gulf's application for hearing to raise limiting gas-oil ratio in Yeso formation in the general area of Section 1-T22S-R37E; Sections 19, 30, 31 and 32-T22S-R38E and section 6-T23S-R38E, as well as sufficient additional surrounding area to provide for subsequent development.

Dear Mr. Sanderson:

Reference is to your petition in the above captioned matter. It is noted that it proposes to raise the limiting gas-oil ratio for the area you name, which has the result of taking in a portion of the two deep fields - Paddock and Drinkard-Yeso and certain territory outside of any field. If granted that would have the effect of gas-oil ratio at 2000 in a part of each of these fields and a higher gas-oil ratio limitation for the remainder of those fields.

Would it not be more workable to ask for a raise of the gas-oil ratio limitation for the Paddock and Drinkard-Yeso pools and their subsequent extensions. If that is your desire, you can of course submit a new petition and withdraw the present one. I had hoped to have the opportunity to discuss this with you or some of your representatives before this time. Please advise in this matter as soon as you may in order that your petition may be in good form should the Commission hold hearings on pending matters during the summer.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MS

C

O

P

Y



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. BOX 661 · TULSA 2, OKLAHOMA

June 15, 1945

GYPSY
DIVISION

Oil Conservation Commission
Santa Fe, New Mexico

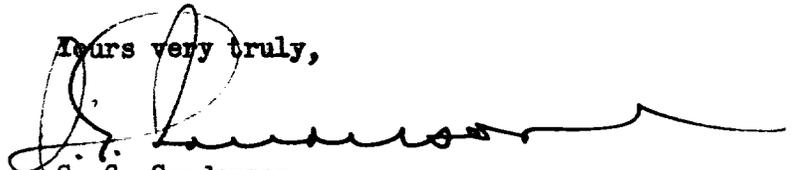
Gentlemen:

I am attaching three copies of an application of the Gulf Oil Corporation requesting a hearing for a limiting gas-oil ratio in the general area of Section 1-T22S-R37E and Sections 19-, 30-, 31-, and 32-T22S-R38E and Section 6-T23S-R38E, as well as sufficient additional surrounding area to provide for subsequent development. This is in the general area of the Drinkard Pool of southern Lea County.

The test of a bottom-hole oil sample from Vivian No. 1, which is producing from the Yeso formation at a depth of approximately 6400', indicates that these deeper wells in that area will have approximately double the amount of gas in solution as that occurring in the Eunice Dolomite which is productive in the Eunice and Monument pools. For this reason it is quite obvious that soon the wells in the Drinkard area will be unduly penalized as the result of increasing gas-oil ratios. At the present time the limiting gas-oil ratio is that set for new and undesignated areas - 2000 cubic feet per barrel - while in the Monument and Eunice areas, where the gas in solution is only half that of the Drinkard area, the limiting gas-oil ratios range from 4000 to 6000 cubic feet per barrel.

I shall be glad if an early hearing date can be set for this matter.

Yours very truly,



S. G. Sanderson
General Superintendent

LLG:MDW

Encls